

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| | | |
|-----------------------------|---|----------------|
| THE SALE AND DETARIFFING OF |) | |
| EMBEDDED CUSTOMER PREMISE |) | |
| EQUIPMENT |) | ADMINISTRATIVE |
| |) | CASE NO. 269 |
| PHASE 4 |) | |

ORDER ON CLARIFICATION

INTRODUCTION

On January 14, 1987, the Commission issued an Order in this case which among other things detariffed customer premise equipment used to provide emergency services, "911" CPE, no later than December 31, 1987.

On December 1, 1987, South Central Bell Telephone Company ("SCB") filed a Motion for Clarification of the January 14, 1987, Order. In its Motion, SCB requested that the Commission clarify whether its Order detariffing "911" CPE investment extended to the investment used to provide enhanced "911" services, namely the Automatic Location Identification Controller and Automatic Number Identification Controller and Display unit. SCB also proposed a demarcation line to be used to determine which equipment should remain tariffed. Finally, SCB requested that the requirement to file tariffs by December 31, 1987, be suspended pending Commission review of the Motion For Clarification.

On December 17, 1987, Cincinnati Bell Telephone Company ("CB") filed a response to the SCB Motion and stated that there was no basis to distinguish between the investment used to provide

"911" and enhanced "911" service. Its response further stated that to accept the demarcation line proposed by SCB would result in undue hardship on CB because it had made certain business decisions based on the January 14, 1987, Order and had entered into contracts with various parties for the sale of equipment. Also, the tariffs submitted to the Commission since January 14, 1987, have not included the costs associated with "911" CPE.

On December 30, 1987, the Commission issued an Order granting the SCB request for a suspension of the tariff filing date and an informal conference was held on February 3, 1988, to discuss the concerns of SCB and CB.

DISCUSSION

At the time the Commission issued its Order on January 14, 1987, the need to make a distinction between basic "911" and enhanced "911" services was not evident due to the virtual nonexistence of enhanced service offerings; therefore, the Commission did not make specific reference to the two types of services. However, the Commission's intent was generic. This conclusion was reinforced during the informal conference when SCB said that there are other suppliers of the equipment which SCB sought to leave under tariff by its proposed demarcation line. Under these circumstances SCB is not a monopoly supplier and, therefore, it is clear that the equipment in question should be detariffed.

Finally, SCB stated at the informal conference, that at the time it filed its Motion, it was concerned about maintaining the security of its data base. SCB assumed that the end-user would

have the capability to access the data base if the controllers and display unit were not company provided. This does not appear to be the case because "911" is a dedicated service and access may be denied through the establishment of protocols by the company.

FINDINGS AND ORDERS

The Commission, having considered the evidence of record and being advised, is of the opinion that:

1. The January 14, 1987, Order issued in this case detariffed all "911" CPE located on the end-user's side of the network interface.

2. All LECs should file revised tariffs within 30 days of the date of this Order to delete all "911" CPE on the end-user's side of the network interface from regulated service offerings and to permit unbundled "911" data base access.

IT IS THEREFORE ORDERED that:

1. The Motion of South Central Bell Telephone Company, containing a request for a demarcation line for "911" CPE other than that intended in the January 14, 1987, Order be denied.

2. All LECs who have not done so shall file, within 30 days of the date of this Order, revised tariffs to delete all "911" CPE on the end-user's side of the network interface from regulated service offerings and to permit unbundled "911" data base access. These tariffs shall have an effective date of January 1, 1988.

Done at Frankfort, Kentucky, this 17th day of March, 1988.

PUBLIC SERVICE COMMISSION

Richard D. Hemery Jr.
Chairman

Robert M. Davis
Vice Chairman

James N. Williams
Commissioner

ATTEST:

Executive Director